DE RUEHMO #1506 1601353 ZNR UUUUU ZZH O 091353Z JUN 09 FM AMEMBASSY MOSCOW TO RUEHC/SECSTATE WASHDC IMMEDIATE 3713 INFO RUEHAR/AMEMBASSY ACCRA IMMEDIATE 0030 RUEHAS/AMEMBASSY ALGIERS IMMEDIATE 0096 RUEHAM/AMEMBASSY AMMAN IMMEDIATE 0195 RUEHAK/AMEMBASSY ANKARA IMMEDIATE 3623 RUEHTA/AMEMBASSY ASTANA IMMEDIATE 0263 RUEHGB/AMEMBASSY BAGHDAD IMMEDIATE 0267 RUEHBK/AMEMBASSY BANGKOK IMMEDIATE 0831 RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 4503 RUEHRL/AMEMBASSY BERLIN IMMEDIATE 2045 RUEHSW/AMEMBASSY BERN IMMEDIATE 0907 RUEHBR/AMEMBASSY BRASILIA IMMEDIATE 0374 RUEHBM/AMEMBASSY BUCHAREST IMMEDIATE 0725 RUEHBU/AMEMBASSY BUENOS AIRES IMMEDIATE 0297 RUEHEG/AMEMBASSY CAIRO IMMEDIATE 0272 RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 0726 RUEHDL/AMEMBASSY DUBLIN IMMEDIATE 0134 RUEHHE/AMEMBASSY HELSINKI IMMEDIATE 3394 RUEHIL/AMEMBASSY ISLAMABAD IMMEDIATE 2683 RUEHJA/AMEMBASSY JAKARTA IMMEDIATE 0186 RUEHBUL/AMEMBASSY KABUL IMMEDIATE 0635 RUEHKL/AMEMBASSY KUALA LUMPUR IMMEDIATE 0122 RUEHLO/AMEMBASSY LONDON IMMEDIATE 2198 RUEHMD/AMEMBASSY MADRID IMMEDIATE 0799 RUEHML/AMEMBASSY MANILA IMMEDIATE 0421 RUEHME/AMEMBASSY MEXICO IMMEDIATE 0415 RUEHMN/AMEMBASSY MONTEVIDEO IMMEDIATE 0056 RUEHMO/AMEMBASSY MOSCOW IMMEDIATE RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 1218 RUEHOT/AMEMBASSY OTTAWA IMMEDIATE 2123 RUEHFR/AMEMBASSY PARIS IMMEDIATE 1954 RUEHPG/AMEMBASSY PRAGUE IMMEDIATE 0806 RUEHSA/AMEMBASSY PRETORIA IMMEDIATE 0305 RUEHQT/AMEMBASSY QUITO IMMEDIATE 0802 RUEHRH/AMEMBASSY RIYADH IMMEDIATE 0287 RUEHRO/AMEMBASSY ROME IMMEDIATE 2982 RUEHUL/AMEMBASSY SEOUL IMMEDIATE 2793 RUEHGP/AMEMBASSY SINGAPORE IMMEDIATE 0212 RUEHSM/AMEMBASSY STOCKHOLM IMMEDIATE 1381 RUEHKO/AMEMBASSY TOKYO IMMEDIATE 4271 RUEHWL/AMEMBASSY WELLINGTON IMMEDIATE 0168 RUEHIN/AIT TAIPEI IMMEDIATE 0433 RUEHUNV/USMISSION UNVIE VIENNA IMMEDIATE 0557

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SENSITIVE SIPDIS

E.O. 12958: N/A

TAGS: ENRG TRGY KNNP IAEA RS

SUBJECT: INTERNATIONAL NUCLEAR FUEL BANK - RUSSIA STILL

HOPEFUL FOR IAEA JUNE GB MEETING

REF: STATE 057598

(SBU) We reviewed reftel points on establishing an international nuclear fuel bank with MFA Office of Security and Disarmament Affairs First Secretary Olga Kuznetsova on June 9. Kuznetsova noted that Russia was expecting the discussion at the IAEA Governing Board (GB) June 15-18 in Vienna to be "far from simple," because of the skeptical countries on the GB and the opponents among the IAEA members that don't want to see any discussion of a nuclear fuel bank because they believe it infringes upon their countries' right to develop a nuclear fuel cycle. Kuznetsova explained that Russia has been trying to convince some of the skeptics that having an international nuclear fuel bank actually reinforces countries' right to develop peaceful nuclear energy. Commenting that Russia will see at the GB meeting to what degree its demarches have been successful, Kuznetsova said

that Russia is "still hoping against hope" that the June GB will endorse the "U.S., Russian, and German" proposals that were distributed by the IAEA Director General, but realizes that this is not likely. (Embassy note: Although we referred to the first proposal as an IAEA proposal, Kuznetsova called it a "U.S." proposal. End note.) If the June GB cannot approve the proposals, Kuznetsova stated that Russia's Governor Berdennikov intends to support the IAEA Director General's recommendation that the GB instruct the Director General to further develop the proposals and submit them to the September GB for discussion in an effort to reach consensus. She predicted that this would take some time. BEYRLE